

83D276
B4 7815

2493

7501332

refer
to
0015W
03
G4

THE WHITE HOUSE
WASHINGTON

Old Executive Office Building
Room 361
Washington, D.C. 20506

CONFIDENTIAL

Copies to:

January 18, 1974

S/PC (ACTION)
RF

Memorandum for the Chairman of the Under Secretaries Committee

From: The President's Personal Representative for Micronesian Status Negotiations

Subj: Fund Augmentation for Marianas Political Status Negotiations

1. During the December 1973 round of talks with the Marianas Political Status Commission agreement was reached on the general nature and range of planning, programs and activities which would take place during the period between the signing of the Status Agreement and the installation of the new Government of the Marianas. The scope of activities to be carried out during this transition period is considerable and includes planning for political education, a plebiscite on future status, a constitutional convention and government reorganization and basic socio-economic studies.

2. The ability of the new government to assume responsibility for local self-government in an orderly way and attain economic self-sufficiency will depend to a large degree on the quality and substance of the transition planning. It is thus of paramount importance that the Marianas Political Status Commission have a viable plan to carry them through this critical transition period. Pursuant to my instructions I have agreed in principle, moreover, to fund these transition period activities.

3. Time did not permit reaching agreement on the details, the extent of funding and management of those transition period activities. We therefore proposed the formation of a preparatory joint ad hoc committee to study the matter further in the next two months and report back to the two delegations in March. Agreed terms of reference are attached. The Marianas Commission, however, made clear it did not have the funds necessary to support their participation in the preparations and could finally agree to the establishment of the committee only on condition we provide up to \$45,000 to help meet their expenses. I agreed to seek this sum from U.S. sources.

4. Since our return we have attempted informally without success to identify a source of such funds within the U.S. Government, including the NSC Staff. The Office for Micronesian Status Negotiations is unable to provide the \$45,000 inasmuch as a separate operating budget was never established for the office, which is funded jointly by the Departments of State and Defense through a consolidated working fund administered by the Department of the Interior. This working fund is barely adequate to cover the costs of office administration, personnel, travel and

DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY *AKP* DATE MAY 12 1987

RDS# or KDS# EXT. DATE
TS AUM.
ENDORSE EXISTING MARKINGS
DECLASSIFIED/RELEASABLE
RELEASE DEREQ.
PA or FOI EXEMPTIONS

CONFIDENTIAL
05 423822

CONFIDENTIAL

negotiating conferences. AID advises us that it cannot fund this
legally.

5. In view of the importance we all attach to moving ahead rapidly on these negotiations and the importance the Marianas Commission attaches to these planning activities I would appreciate your assistance in asking one or more of the Executive Branch organizations represented on the Undersecretaries Committee to provide \$45,000 for the purpose of assisting in the funding of the Marianas participation in the Ad Hoc Preparatory Committee. Without it we could run into a real delay in these negotiations.


Franklin Haydn Williams

0315987030

CONFIDENTIAL

05 423823

TERMS OF REFERENCE FOR THE AD HOC PREPARATORY
COMMITTEE ON TRANSITION

A joint Ad Hoc Preparatory Committee will be appointed forthwith by the Marianas Political Status Commission and the President's Personal Representative to study and make recommendations to the Chairmen of the Marianas and U.S. Delegations before the next negotiating session regarding the scope, organization and timing of studies and programs necessary to an orderly transition to self-government in the Marianas. Specifically, the Ad Hoc Preparatory Committee will recommend to the Chairmen of the two delegations the following:

1. A detailed work plan, including a timetable and sequence of events, for preparing and undertaking:
 - a. A political education program;
 - b. A plebiscite on future political status;
 - c. A constitutional convention and referendum;
 - d. Legal studies relating to the organizational structure and initial legislative program of the new commonwealth government;
 - e. Studies to identify the Marianas' economic, social and physical infrastructure needs, taking into account as appropriate extant studies on these matters;
 - f. Studies to develop an appropriate fiscal and revenue system for the Marianas;
 - g. A study of the economic or social impact on the Marianas of a relocation of the Capital of Micronesia.
2. An appropriate organizational structure for accomplishing the important transitional studies and programs. This recommendation will include a description of how a Joint Commission could be organized to provide general guidance for the implementation of these tasks and how a Joint Secretariat might be established to provide specific direction and continuing administrative support;
3. A detailed budget to cover the costs of essential studies, programs, and events falling within the transition period.

01150100

∴ The Ad Hoc Preparatory Committee will report their recommendations to the Chairman of the Marianas Political Status Commission and the President's Personal Representative no later than March 1, 1974. The Chairman and the President's Personal Representative will meet informally shortly thereafter, and before the next session of negotiations, to discuss how to proceed regarding implementation of the recommendations of the Ad Hoc Preparatory Committee.

03 15 58 2 00